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THE ANDHRA PRADESH GAZETTE
PUBLISHED BY AUTHORITY

PART VII EXTRAORDINARY

No.55

AMARAVATI, SATURDAY, MARCH 2, 2024

G.3963

NOTIFICATIONS BY GOVERNMENT

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**PANCHAYAT RAJ & RURAL DEVELOPMENT DEPARTMENT
(VIG.V)**

Memo.No.23211/VIG.V/2009.

Dated: 21-06-2022.

ALLEGATION OF EMBEZZLEMENT OF FUNDS - ARTICLES OF CHARGE FRAMED AGAINST Sri CH. SUBRAHMANYAM, AND Sri A. NAGARAJU, FORMER DISTRICT PANCHAYAT OFFICERS, GUNTUR - CASE ENTRUSTED TO COI - APPOINTED INQUIRING AUTHORITY - ENQUIRY REPORT COMMUNICATED TO THE CHARGED OFFICER - EXPLANATION CALLED FOR.

- Ref:-
1. G.O.Rt.No.1855, PR&RD (Vig.IV) Department, dated 06.12.2010.
 2. From Sri Ch. Subrahmanyam, former District Panchayat Officer, Guntur District, WSD dt.15.10.2014.
 3. G.O.Rt.No.187, PR&RD(Vig.IV) Department, dated.23-02-2015.
 4. G.O.Rt.No.521, PR&RD(Vig.V) dated.30.09.2021.
 5. D.O.Letter.No.87/COI-RPT/2021, Dt.29.12.2021 along with Enquiry Report received from the COI, AP Secretariat.

In the reference 1st cited, the Government have framed Six (6) charges against Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur as he had deliberately violated conduct Rule 3 of APCS (Conduct) Rules, 1964, on the allegations of committed certain irregularities in drawl of funds and failed to discharge his duties legitimately and he had failed to maintain the vouchers, cash books and other records, under Rule 20 of the Andhra Pradesh Civil Service (CC&A) Rules, 1991.

2. The Charged Officer has submitted his WSD vide reference 2nd cited. As requested by the Commissioner, PR&RE, the Government have entrusted the case to Commissioner of Inquiries to conduct common enquiry on the charges framed against the Charged Officers Sri Ch. Subrahmanyam, and Sri A. Nagaraju, former District Panchayat Officers, Guntur District, under Rule 20 (2) of the Andhra Pradesh Civil Service (Classification, Control & Appeal) Rules, 1991, vide reference 3rd cited.

3. In the reference 4th cited, Government have appointed Sri R.P.Thakur, I.P.S. (Retd.), Member, Commissionerate of Inquiries as Inquiring Authority in place of Sri R.P.Sisodia, I.A.S., the then COI and Inquiring Authority, to inquire into the charges framed against the Charged Officers, on the allegations of embezzlement of funds. The Enquiry Officer, Commissionerate of Inquiries, after conducting a detailed enquiry, submitted his report to the Government, vide reference 5th cited.

4. A copy of the Enquiry Report is herewith communicated to the Charged Officer Sri Ch. Subrahmanyam, former District Panchayat Officer, Guntur District, under Rule 21(2) of APCS (CC&A) Rules, 1991. He is directed to submit his representation, if any, on the findings of the inquiry officer, to Government within 15 days from the date of receipt of the Memo. If no representation is received within the stipulated time, it will be construed that he has no comments to submit and further action will be taken as per rules in the matter and as per the material available with the Government.

GOPAL KRISHNA DWIVEDI,
Principal Secretary to Government.

To:

Sri Ch. Subrahmanyam, former District Panchayat Officer, Guntur District through the Commissioner, PR&RD, Tadepalli, Guntur.(with a request to communicate the Memo to the C.O. and furnish the dated ack., to Government).

Report of inquiry into the charges framed against Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur Dist., Guntur and another.

The Government in Panchayat Raj and Rural Development (Vig.V) Department vide G.O.Rt.No.521, dated 30-9-2021 under sub-rule (2) of Rule 20 of the Andhra Pradesh Civil Services (Classification, Control & Appeal) Rules, 1991 have appointed Sri R.P.Thakur, I.P.S.(Retd.), Member, Commissionerate of Inquiries as Inquiring Authority in place of Sri R.P.Sisodia, I.A.S., the then COI and Inquiring Authority, to inquire into the charges framed against Sri Ch.Subrahmanyam and Sri A.Nagaraju, former District Panchayat Officers, Guntur Dist., Guntur on the allegations of embezzlement of funds. The Government have also appointed Sri M.Vara Prasada Rao, Advocate as Presenting Officer in place of Sri G.Venugopal Rao, Advocate to present the case before the Inquiring Authority on behalf of the Disciplinary Authority along with earlier Inquiring Authority vide G.O.Rt.No.961, PR&RD (Vig.V) Dept., dt.30-7-2018.

Accordingly, during the course of inquiry, the plea of CO-1 was recorded on 27-8-2015 and CO-2 on 6-10-2015 by the then Inquiring Authority under sub-rule (9) of Rule 20 of the APCS (CC&A) Rules, 1991 wherein both the COs have denied the charges framed against them. CO-1 has engaged the services of Sri Surendra Desai, Advocate, Hyderabad as his Defense Counsel and CO-2 has engaged the services of Sri Y.Raveendra Kumar, Advocate, Hyderabad as his Defense Counsel for defending their case before the Inquiring Authority.

Further, no Listed Witnesses are cited in Annexure-III, enclosed to the Articles of Charges framed against the COs. But during the course of inquiry, the then PO has proposed Sri C.Sankara Reddy, the then Additional Commissioner of Panchayat Raj as witness and accordingly, he was examined and recorded his deposition as PW-1. Ex.P1 was marked from prosecution side and Ex.D1 was marked from defense side. Moreover, CO-2 was examined by the then Inquiring Authority and recorded his deposition on 20-6-2019. Both the COs were also examined under sub-rule (16) and (17) of Rule 20 of APCS (CC&A) Rules, 1991 by the then Inquiring Authority. Thereafter, on the request of the Inquiring Authority, the Presenting Officer has filed his written arguments in respect of the charges framed against both the charged officers before the earlier Inquiring Authority on 22-2-2019 and a copy of the same was given to CO-2 in person and communicated the same to CO-1 through the Commissioner of PR&RD, A.P., Tadepalli, Guntur Dist. vide Memo No.123/COI-RPS/2020, dt.25-2-2021 of G.A.(COI-RPS) Dept. and again on receipt of reassignment orders, this forum has also requested the CO-1 to furnish his written arguments to this forum preferably on or before 25-10-2021 with an order if he fails to furnish the same, the case will be finalized as per the documentary evidence available with this forum. But CO-1 fails to furnish the same till date, though the same were served on Smt.Ch.Sailaja, W/o.Ch.Subrahmanyam, former CEO, Zilla Praja Parishad, Nellore (under suspension) at his residence, i.e., Pallipadu village of Indukurpet Mandal, SPS

Nellore Dist. by Panchayat Secretary, Pallipadu, Indukurpet Mandal, SPS Nellore Dist. as per the acknowledgement furnished by the CEO, ZPP, SPS Nellore Dist. vide his letter Rc.No.D4/7417/2018, dt.22-10-2021. CO-2 has furnished his written arguments to this forum Later, the Report of Inquiry has been prepared as hereunder under sub-rule (18) of Rule 20 of APCS (CC&A) Rules, 1991.

The report of inquiry mainly consists of 4 parts:

1. Case of the Disciplinary Authority.
2. Case of the Charged Officers.
3. Analysis and Assessment and
4. Findings.

The case of the Disciplinary Authority consists of (1) Articles of Charges framed against the charged officers by the Disciplinary Authority (2) Written Arguments of the Presenting Officer filed before the Inquiring Authority. The case of the charged officers is confined to Written Arguments filed by them before the Inquiring Authority after receipt of copy of written arguments of the Presenting Officer.

(A) Case of the Disciplinary Authority:

1.Articles of Charges framed against Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur vide G.O.Rt.No.1855, PR&RD (Vig.IV) Dept.,dt.6-12-2010.

Articles of Charge-I: That Sri Ch.Subrahmanyam, former District Panchayat officer, Guntur committed grave irregularities during his tenure from 11.07.2008 to 24.2.2009 and he had drawn the amounts indiscriminately from the Accounts No.G-68 and G-266, which are in the name of the District Panchayat Officer, Guntur at Chaitanya Godavari Grameena Bank, Collectorate Compound, Guntur without any reason on record and without the knowledge of the office. He had drawn the following amounts duly authorizing private persons to encash the cheques issued by him.

From A/c No.G-68:

Date	Particulars	Cheque No.	Amount
7.8.2008	To self	0108342	5,00,000-00
6.9.2008	To K.Subba Rao	0108343	3,00,000-00
15.10.2008	To T.Subrahmanyam	0108344	4,00,000-00
1.11.2008	To T.Subrahmanyam	0108345	2,00,000-00
10.11.2008	To T.Subrahmanyam	0108346	2,50,000-00
28.11.2008	To T.Subrahmanyam	0108347	4,50,000-00
8.12.2008	To T.Subrahmanyam	0108348	3,50,000-00
23.12.2008	To T.Subrahmanyam	0108349	3,25,000-00
31.12.2008	To T.Subrahmanyam	0108350	3,00,000-00
5.1.2009	To T.Subrahmanyam	0217601	2,50,000-00
9.1.2009	To T.Subrahmanyam	0217602	3,00,000-00
16.1.2009	To T.Subrahmanyam	0217603	5,00,000-00
29.1.2009	To T.Subrahmanyam	0217604	1,00,000-00
2.2.2009	To T.Subrahmanyam	0217605	3,00,000-00
10.2.2009	To T.Subrahmanyam	0217606	3,00,000-00
13.2.2009	To T.Subrahmanyam	0217607	3,00,000-00

16.3.2009	To T.Subrahmanyam	0217608	2,50,000-00
18.2.2009	To T.Subrahmanyam	0217609	3,50,000-00
3.3.2009	To T.Subrahmanyam	0217611	8,00,000-00
6.3.2009	To T.Subrahmanyam	0217612	4,00,000-00
6.3.2009		0217610	4,52,000-00
	total		73,27,000-00

From A/c No. G-266:

Date	Particulars/ Chheque No.	Amount
23.1.2009	Tr,to G,68 0217626	27,48,000-00

He has further remitted the following Amounts to those Accounts as follows:

To A/c No.68:

Date	Particulars	Amount
13.9.2008	By cash	4,00,000-00
19.9.2008	By cash	3,50,000-00
3.12.2008	By Realization D.D	4,52,000-00
5.1.2009	By Realization of D.D	1,75,000-00
23.1.2009	Tr from G-266	27,48,000-00
3.3.2009	By Realization of D.D	9,00,000-00
3.3.2009	By Realization of D.D	7,00,000-00
31.3.2009	By cash (S.Kumar)	16,02,000-00
	Total	73,27,000-00

To A/C No.G-266:

Date	Particulars	Amount
12.1.2009	By Realization of D.D	41,24,722-00
3.3.2009	By Realization of D.D	9,00,000-00
31.3.2009	By cash (S.Kumar)	43,48,000-00
	Total	93,72,722-00

Thus, he had committed irregular drawl of funds and failed to discharge his duties legitimately and thereby violated Rule (3) of APCS (Conduct) Rules, 1964.

Articles of Charge-II: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur had failed to maintain the vouchers, cash books and other records for the drawls made by him as shown at Article (1).

Thus, he had violated Rule (3) of APCS (Conduct) Rules, 1964 in discharging his duties.

Articles of Charge-III: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur, while holding the post of Deputy Chief Executive Officer as Full Additional Charge had initiated the file from his level with a mala fide intention, without knowledge of the section and got it approved by the Chief Executive Officer and Chairperson for transfer of an amount of Rs.41,24,722/- to the District Panchayat Officer, instead of allocation to Gram Panchayat by way of Demand Drafts, which is highly irregular and in violation of Rules.

Thus, he had violated Rule (3) of APCS (Conduct) Rules, 1964 in discharging his duties

Articles of Charge-IV: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur while allocating the 12th Finance Commission funds to Gram Panchayats, the amount of Rs.3,22,49,800/- received through Procgs.No.575/CPR-Acct-II(1)/2009-1, dated 22-1-2009, had kept an amount of Rs.25,00,000/- with him without disbursing the same to the Gram Panchayats and allocated the rest of the amount to the Panchayats. He had kept the amount in the account of Gram Panchayat, Phirangipuram, which is in violation of Rules.

Thus, he had violated Rule (3) of APCS (Conduct) Rules, 1964 in discharging his duties.

Articles of Charge-V: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur had drawn an amount of Rs.12,00,000/- on 24.2.2009, evenafter his relief from the District, which is highly irregular.

Thus he had violated Rule (3) of APCS (Conduct) Rules, 1964 in discharging his duties.

Articles of Charge-VI: That Sri Ch.Subrhmanyam, former District Panchayat Officer, Guntur had failed to hand over the cash book, cheque book and connected vouchers for the drawls to his successor during his relief from the district.

Thus he had violated Rule (3) of APCS (Conduct) Rules, 1964 in discharging his duties.

Basis of Charges: The Additional Commissioner (PR&RE) had conducted preliminary inquiry into the irregularities; embezzlement of funds committed by Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur and submitted his report as follows:

1. Two savings Bank Accounts and they are in the name of the District Panchayat Officer, Guntur at Chjitanya Godavari Grameena Bank Collectorate compound, Guntur. Account Nos.G-68 and G-266
2. The S.B Account No.G.68 was opened by Sri R.Jaya Prakash Narayana, former District Panchayat Officer, w.e.f. 27.3.2000 and presently working as Chief Executive Officer, Zilla Parishad, Guntur. The other Account No.G-266 was opened by Sri Ch.Subrahmanyam, former District Panchayat officer, Guntur on 12.1.2009.
3. The District Level Sand Committee, Guntur had authorized the District Panchayat Officer to open the S.B. Account No.G-68 in the name of the District Panchayat Officer, who was Member Convenor of the DLC to meet the unforeseen expenditure for deployment of Home Guards to check and curb the illegal transportation of sand, surveys to be conducted of the Reaches, publication of notifications and maintenance of vehicles utilized for taskforce to conduct surprise check.
4. As regard to maintenance of accounts it was observed that the accounts were not properly maintained. No cash book or vouchers were made available for entire period for verification.
5. Sri.Ch.Subrahmanyam during his tenure as District Panchayat Officer, for the period form 11.07.2008 to 24.2.2009 started drawing the amounts

indiscriminately without reason on record on record and without the knowledge of the office. He had drawn the following amounts duly authorizing private persons to encash the cheques issued by him.

Date	Particulars	Cheque no.	Amount
7.8.2008	To self	0108342	5,00,000-00
6.9.2008	To K.SubbaRao	0108343	3,00,000-00
15.10.2008	To Subrahmanyam	0108344	4,00,000-00
1.11.2008	To Subrahmanyam	0108345	2,00,000-00
10.11.2008	To Subrahmanyam	0108346	2,50,000-00
28.11.2008	To Subrahmanyam	0108347	4,50,000-00
8.12.2008	To Subrahmanyam	0108348	3,50,000-00
23.12.2008	To Subrahmanyam	0108349	3,25,000-00
31.12.2008	To Subrahmanyam	0108350	3,00,000-00
5.1.2009	To Subrahmanyam	0217601	2,50,000-00
9.1.2009	To Subrahmanyam	0217602	3,00,000-00
16.1.2009	To Subrahmanyam	0217603	5,00,000-00
29.1.2009	To Subrahmanyam	0217604	1,00,000-00
2.2.2009	To Subrahmanyam	0217605	3,00,000-00
10.2.2009	To Subrahmanyam	0217606	3,00,000-00
13.2.2009	To Subrahmanyam	0217607	3,00,000-00
16.2.2009	To Subrahmanyam	0217608	2,50,000-00
18.2.2009	To Subrahmanyam	0217609	3,00,000-00
3.3.2009	To Subrahmanyam	0217611	8,00,000-00
6.3.2009	To Subrahmanyam	0217612	4,00,000-00
6.3.2009		0217610	4,52,000-00
	Total		73,27,000-00

From A/c No.G-266:

He has further remitted the following amounts to that Account as follows:

Date	particulars	Ceheque no.	Amount
23.1.2009	Tr.to G.68	0217626	27,48,000-00

To A/c.No.68:

date	particulars	Amount
13.09.2008	By cash	4,00,000-00
13.9.2008	By cash	3,50,000-00
3.12.2008	By Realization of D.D	4,52,000-00
5.1.2009	By Realization of D.D	1,75,000-00
23.1.2009	Tr. From G-266	27,48,000-00
3.3.2009	By Realization of D.D	9,00,000-00
3.3.2009	By Realization of D.D	7,00,000-00
31.3.2009	By cash (S.Kumar)	16,02,000-00
Total		73,27,000-00

To A/c No.G-266:

Date	Particulars	Amount
12.1.2009	By Realization of D.D	41,24,722-00
3.3.2009	By Realization of D.D	9,00,000-00

31.3.2009	By cash (S.Kumar)	43,48,000-00
total		93,72,722-00

- 6.As on the date of his taking charge an amount of Rs.36,77,741/- was available in Account No.G-68.
- 7.He had opened another account in the same ank bearing Account No.G-266 on 12-1-2009, with an intention to keep the Gram Panchayat apportioned amount released by the Zilla Prishad.
- 8.Sri Ch.Subrahmanyam, the District Panchayat Officer,was holding Additional charge of the post of Deputy Chief Executive Officer, Zilla Parishad, Guntur from 8-8-2008 to 24-2-2009.
- 9.Sri Ch.Subrahmanyam, the District Panchayat Officer, who was also the deputy Chief Executive Officer (FAC) initiated file from his level without knowledge of the section and got it approved by the Chief Executive Officer and Chairperson for transfer of an amount of Rs.41,24,722/- to the District Panchayat Officer, instead of allocation to gram Panchayat by way of Demand Drafts
- 10.The Bankers Cheque No.884979. Dated 2-1-2009 for Rs.41,24,722/- was taken in person by Sri Ch.Subrahmanyam as District Panchayat Officer,and with this cheque he had opened a new account in the name of District Panchayat Officer, in account No.G-266..
- 11.In usual practice, after obtaining requisition from District Panchayat Officer, the Zilla Parishad shall allocate the funds to grame Panchayat directly. However, the same was not followed intentionally violating the procedure, obviously with an ill-intention,
- 12.While allocating the 12th Finance Commission funds to gram Panchayats the amount of Rs.3,22,49,800/- received through Procs.No.575/CPR-Acct-II(1)/2009-1, Dated 22-1-2009, Sri Ch.Subarhmanyam kept an amount of Rs.25,00,000/- with him without disbursing the same to the Gram Panchayats and allocated the rest of the amount to the Panchayats. He had kept the amount in the account of Gram Panchayat, Phirangipuram.
- 13.He had issued an order to Phirangipuram, gram Panchayat, directing the Panchayat Secretary to remit the amount to District Panchayat Officer, by Demand Draft in favour of District Panchayat Officer, Guntur. It is learnt that he asked the Panchayat Secretary, Phirnagipuram to bring the amount in 3 Demand Drafts. Accordingly, those amounts were received by him in 3 Demand Drafts as follows.
 1. Demand Draft for Rs.9,00,000/-
 2. Demand Draft for Rs.9,00,000/-
 3. Demand Draft for Rs.7,00,000/-
14. He had remitted two demand drafts worth of Rs.16,00,000-00/- in A/c. No. G-68 and one Demand Draft worth of Rs.9,00,000/- in A/c.No.G-266.
15. Sri Ch.Subrahmanyam was relieved as District Panchayat Officer, Guntur on AN of 24.2.2009, after his relief also he had en-cashed Rs.12,00,000/- vide cheque Nos.0217611 & 0217612.
16. His successor, Sri A.Naga Raju, who had joined as District Panchayat Officer, Guntur on 26-2-2009 suspected mischief and issued a notice vide his Memo No.981/2009, dated 23-3-2009 to Sri Subrahmanyam directing him to "Handover cash book, cheque book and connected vouchers for the drawls

and also reasons for issue of cheques and depositing the amounts after his relief from the post of District Panchayat Officer, Guntur”.

17. On receipt of the notice Sri Ch.Subrahmanyam had remitted back the following amounts on 31-3-2009. The details are as follows.

- i. To the A/c.No.G-68 by name S.Kumar Rs.16,02,000/-
- ii. To the A/C.No.G-266 by name S.Kumar, Rs.43,48,000/-

18. The Balance as on this date in Account Nos. G-68 is Rs.37,25,851/- and in g-266 is Rs.25,00,000/-.

19. Sri Ch.Subrahmanyam has not handed over the cheque books and pass books of both the bank accounts in the O/o.District Panchayat Officer.

20. Hence the charges.

2.Articles of Charges framed against Sri A.Nagaraju, former District Panchayat Officer, Guntur vide G.O.Rt.No.1856, PR&RD (Vig.IV) Dept.,dt.6-12-2010.

Articles of Charge-I: That Sri A.Nagaraju, former Dist.Panchayat Officer, Guntur District, Guntur had called for explanation of Sri Ch.Subrahmanyam, former DPO, Guntur for the misappropriation committed by him and casually marked a copy of the same to the Commissioner, PR&RE for information, instead of reporting a scandal of such a magnitude to the Government on an emergency basis. He had handled the misappropriation case in such unprofessional, crude and in a careless way.

Thus, he had failed to discharge his legitimate duties and thereby violated Rule (3) of APCS (Conduct) Rules, 1964.

Basis of Charges: Sri A.Nagaraju, former DPO, Guntur District, Guntur had called for the explanation of Sri Ch.Subrahmanyam, former DPO, Guntur for not handingover of cash book, cheque book and connected vouchers for the drawls made by him and also directed to submit the reasons for issue of cheques and depositing the amounts even after his relief from the Office of the DPO, Guntur vide his letter, Roc.No.981/2009, dt.23-3-2009.

Thus, the individual had failed to bring the serious and scandalous misappropriation committed by Sri Ch.Subrahmanyam, former DPO, Guntur to the notice of higher authorities immediately and had given scope for further misappropriation by Sri Ch.Subrahmanyam, former DPO, Guntur.

Depositions:

The following proposed witness was examined as PW-1:

1.Sri C.Shankar Reddy, Addl.Commissioner (Retd.), Panchayat Raj, Hyderabad.

Deposition of PW-1:

Statement of Sri C.Shankar Reddy, S/o.Sri C.Narayana Reddy, aged about 60 years, Addl. Commissioner, Panchayat Raj (Retd.), Hyderabad.

Examination-in-Chief: In pursuance of the instructions of the CPR&RE, AP, Hyderabad, I had visited the office of District Panchayat Officer, Guntur on 01.08.2009, perused the connected records available in the office pertaining to sand auctions etc. After verifying connected files and copies of instruments issued by the CO-1, I have submitted the Preliminary Enquiry Report, which is marked as Ex.P-1.

Cross examination by Defense Counsel on behalf of CO-1: It is true that the amount mentioned in charge No.1 was remitted. I am not aware for what purpose the amount was utilized. I have enquired about the cash book and voucher from the lower staff, however I didn't record their statements. The charged officer has not handed over the cheque book and pass book neither to the staff nor to his successor. The successor officer had also issued a notice to the charge officer No.1 in this regard. It is for this reason, the staff told me, that they could not maintain records, as they were not aware of withdrawals made. I have not mentioned the names of lower staff with whom I had interaction. I have not examined the CEO, Z.P. about the amounts mentioned in the charge No.3. I have examined the relevant file maintained in the office of Zilla Parishad and recorded a statement from the Superintendent of the section. He was relieved on 24.02.2009. It is not true to suggest that I did not enquire into the matter properly and submitted a perfunctory report to the CPR&RE, A.P. Hyderabad.

Cross examination by Defense Counsel on behalf of CO-2:

Q. Did you find the words "suspected mischief" and also issued a "notice", in the Memo No.981/2009, dt.23.03.2009 (Ex.D1 together with its enclosures) issued to Sri C.Subrahmanyam (CO-1)?

Ans: No.

It is true Ex.D-1 is not a notice but is a letter. It is true that on receipt of Ex.D-1, the charged officer No-1 remitted amounts mentioned in para - 17 of Ex.P1.

Deposition of DW-1:

Sri A.Nagaraju, CO-2 was examined as Defense Witness by the then Inquiring Authority. The deposition of DW is inscripted in Telugu language by the then Inquiring Authority and the same was transcribed in English is as follows:

I am Sri A.Nagaraju, S/o.late Lakshmipathi Raju, age: 62 years, r/o.Tuni, East Godavari Dist. informed to state that I joined as Junior Asst. in the office of the CPR on 15-7-1985. I got promotion as Senior Asst. in the year of 1989 and as Extension Officer, PR, in the month of 1993 and as Divisional Panchayat Officer in the year 1999 and as Dist. Panchayat Officer in the year 1999. I worked as DPO in the districts, West Godavari, Visakhapatnam, Vizianagaram, Guntur and Krishna Districts during the years 2002 to 2017. On transfer I was posted as Accounts

Officer in the office of the CPR in the year 2017 and I have retired from the service on 31-10-2017. I assumed the charge as DPO in Guntur Dist., Guntur on 24-2-2009. On 22-3-2009 Sri Balaji, Junior Asst., O/o.CPR came to me and informed that it was noticed that the former DPO has drawn the funds relating of sand and the connected records were also available with him only. Immediately I went to Grameena Bank, located in Collectorate compound on 23-3-2009 and submitted a letter to the concerned bank authorities, requesting them not to draw any amounts deposited from the account of former DPO. On the same day I have written a letter, addressed to Sri Ch.Subrahmanyam, the then DPO, Guntur and at that time he was working as DPO, Krishna Dist., requesting him to furnish the details of the funds relating sand, accounts, check book, pass book to my office immediately and copy of the same was marked to the CPR, Dist.Collector, Guntur. On 1-4-2009 I again addressed a letter to the authorities of Grameena Bank, requesting to furnish the details of the account pertaining DPO, Guntur. In meanwhile, Sri Ch.Subrahmanyam, former DPO has furnished the check books, cash book etc. to the office of the Guntur. On receipt of copy of letter addressed by me to the DPO, Krishna Dist., the office of the CPR has requested me to furnish a detailed report on misappropriation of funds relating to sand. Accordingly, on examination of the accounts pertaining to Gram Panchayat and Bank Accounts, I submitted a detailed to report to the CPR on 22-6-2009 wherein it was mentioned that how much amount was withdrawn and how much amount was deposited in the bank account. Based upon the same, the then Dy.Commissioner, P.R., Sri Sankara Reddy, was ordered to enquire in the matter and submit a detailed report to the CPR and accordingly, the then Dy.Commissioner, P.R. enquired into the matter and submitted the report, indicating the allegations/irregularities committed by Sri Ch.Subrahmanyam and Sri A.Nagaraju, the then DPOs and subsequently, the charge memos were issued against them. I offered a detailed explanation on the charge memo issued to me on 6-2-2011. In the interest of safeguard of Government exchequer, I addressed a letter to Sri Ch.Subrahmanyam, former DPO, Guntur Dist., Guntur and subsequently, actions were also taken to remit back the amounts which were already drawn by the then DPO, Sri Ch.Subrahmanyam. I took the action with good consciousness in the capacity of DPO, Guntur but not with ulterior motive, deviated any Government procedure. Therefore, I request the authorities to drop further action against me as I have already retired from service.

Qn.by PO: Did you now know about the misappropriation of funds till your Junior Assistant informed you?

Ans: Generally the books pertaining to funds details, Accounts Book, Cheque Book etc. are available with the Junior Asst. In case to draw the amounts, file has to submit to the Dist.Collector and obtained orders then only amounts will be drawn. Therefore, I don't know about misappropriation of the funds.

Qn.by PO: Have you informed the same to your higher authorities?

Ans: I informed the the bank authorities in regard to misappropriation took place and also addressed a letter to Sri Ch.Subrahmanyam, the then DPO with a copy marked to the CPR.

Qn.by PO: Has Sri Ch.Subrahmanyam, the then DPO, remitted back the misappropriated amount after you informed the same to the bank authorities and submitted a report to Government on 22-6-2009?

Ans: No. On 31-3-2009 Sri Ch.Subrahmanyam has remitted back the amount of Rs.16,02,000/- and Rs.43,48,000/- and with this the total misappropriated amount was remitted back. But I have noticed that the remitted back amount pertains to sand of Krishna Dist. not of Guntur Dist. The same was observed after I assumed the charge as DPO, Krishna Dist. On the same allegation (2) criminal cases were registered against Sri Ch.Subrahmanyam, the then DPO in Vijayawada and Machilipatnam. Hence, I requested to drop further action leveled against me.

Written Arguments of Presenting Officer in respect of Articles of Charges framed against Charged Officers:

Articles of Charges framed against Sri Ch.Subrahmanyam, former District Panchayat officer, Guntur:

Article No.1: That Sri Ch.Subrahmanyam, former District Panchayat officer, Guntur committed grave irregularities during his tenure from 11.07.2008 to 24.2.2009 and he had drawn the amounts indiscriminately from the Accounts No.G-68 and G-266, which are in the name of the District Panchayat Officer, Guntur at Chaitanya Godavari Grameena Bank, Collectorate Compound, Guntur without any reason on record and without the knowledge of the office. He had drawn the following amounts duly authorizing private persons to encash the cheques issued by him.

Article No.2: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur had failed to maintain the vouchers, cash books and other records for the draws made by him as shown at Article (1).

Article No.3: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur, while holding the post of Deputy Chief Executive Officer as Full Additional Charge had initiated the file from his level with a malafide intention, without knowledge of the section and got it approved by the Chief Executive Officer and Chairperson for transfer of an amount of Rs.41,24,722/- to the District Panchayat Officer, instead of allocation to Gram Panchayat by way of Demand Drafts, which is highly irregular and In violation of Rules.

Article No.4: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur while allocating the 12th Finance Commission funds to Gram Panchayats, the amount of Rs.3,22,49,800/- received through Procs.No.575/CPR-Acct-II(1)/2009-1, dated 22-1-2009, had kept an amount of Rs.25,00,000/- with him without disbursing the same to the Gram Panchayats and allocated the rest of the amount

to the Panchayats. He had kept the amount in the account of Gram Panchayat, Phirangipuram, which is in violation of Rules.

Article No.5: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur had drawn an amount of Rs.12,00,000/- on 24.2.2009, even after his relief from the District, which is highly irregular.

Article No.6: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur had failed to hand over the cash book, cheque book and connected vouchers for the draws to his successor during his relief from the district.

Articles of Charges framed against Sri A.Nagaraju, former Dist.Panchayat Officer, Guntur District, Guntur:

Articles of Charge-I: That Sri A.Nagaraju, former Dist.Panchayat Officer, Guntur District, Guntur had called for the explanation of Sri Ch.Subrahmanyam, former DPO, Guntur for the misappropriation committed by him and casually marked a copy of the same to the Commissioner, PR&RE for information, instead of reporting a scandal of such a magnitude to the Government on an emergency basis. He had handled the misappropriation case in such unprofessional, crude and in a careless way.

Thus, he had failed to discharge his legitimate duties and thereby violated Rule (3) of APCS (Conduct) Rules, 1964.

Basis of Charges: Sri A.Nagaraju, former DPO, Guntur District, Guntur had called for the explanation of Sri Ch.Subrahmanyam, former DPO, Guntur for not handing over of cash book, cheque book and connected vouchers for the draws made by him and also directed to submit the reasons for issue of cheques and depositing the amounts even after his relief from the Office of the DPO, Guntur vide his letter, Roc.No.981/2009, dt.23-3-2009.

After careful examination, the Government of A.P. entrusted the case to the Commissioner of Inquiries. The Commissioner of Inquiries called the witnesses, who submitted preliminary enquiry report, which was marked as Ex.P1.

The witness Mr.C.Shankar Reddy deposed that he had visited the office of the DPO, Guntur on 1-8-2008 and perused the connected record pertaining to CO-1 and CO-2 and submitted his preliminary enquiry report. He deposed that the amount mentioned in the charged report was remitted what for the amount was utilized by CO-1. He added that the CO-1 not handed over the cheque books and pass books to neither to the staff nor to the successors.

Presenting Officer's observations:

Charged Officer-1:

1. As per Article No.1, the CO-1 withdrawn the amount from A/c.No.G-68, Rs.73,27,000/- from A/c.No.G-2666, Rs.27,48,000/- and A/c.No.G-266, Rs.93,72,722/-.

2. As per Article No.2, he failed to maintain vouchers, cash books and other records.
3. As per Article No.3, he has transferred an amount of Rs.41,24,722/- with malafide intention.
4. As per Article No.4, he has kept the amount of Rs.25,00,000/- in the A/c. of Gram Panchayat, which was the violation of Conduct Rules.
5. As per Article No.5, he has drawn the amount of Rs.12,00,000/- on 24-12-2009 after his relief from the District.
6. As per Article No.6, he failed to handover the cash books, cheque books, pass books and connected vouchers for the drawls to his successor during his relief from the District.

Charged Officer-2:

1. As per Article No.1, the CO-2 had not taken the misappropriation case seriously and taken it on professional crude and in a careless way by which act CO-2 had failed to discharge his legitimate duties.

Conclusion:

As per the above deposition of PW-1, it is revealed that the COs-1 & 2 violated conducted rules. It is prayed that the Hon'ble Commission may take appropriate action against CO-1 and CO-2.

II. Case of the Charged Officers:

Sri Ch.Subrahmanyam, former DPO, Guntur Dist., Guntur did not file his written arguments before this forum within the set time even after written arguments of Presenting Officer were served on his wife under proper acknowledgement, obtained by the Panchayat Secretary, Pallipadu, Indukurpet Mandal, SPSR Nellore Dist., as his whereabouts were not known. Moreover, he did not turn up the hearings posted by this forum for several times.

Written Arguments submitted to the Inquiring Authority by Sri A.Nagaraju, former District Panchayat Officer, Guntur Dist., Guntur, CO-2:

In response to the written submission of the Presenting Officer, I submit to state that I deny the remarks of Commissioner, PR&RD and Presenting Officer that I have issued a memo notice to my predecessor Sri Ch.Subrahmanyam, DPO.

At para 16 of the PR&RD Dept. report it is clearly reported that Sri Ch.Subrahmanyam, DPO has remitted back Rs.59,50,000/- on receipt of the notice.

At the first instance, I have stopped the drawls and transactions of the said account funds from the bank by giving a letter to the bank authorities in person and after perusal of the records which was not available in the office which were taken away by Sri Ch.Subrahmanyam, I addressed a letter to him to handover the said fund records such as cash book, bank cheque books and reason for drawl of funds in a good faith to submit a detailed report to the Commissioner, PR&RD as addressed by the Commissioner vide Memo No.3602/CPR&RD/2009, dt.24-2-2009.

Further submit that with a view to safe guard the Government money I stopped transactions from the concerned bank and after addressing a letter to Sri Ch.Subrahmanyam, the then DPO, Krishna Dist. I have recovered the entire amount drawn by him irregularly and submitted a detailed report to the Commissioner, PR&RD for taking further action.

Since I have retired from service on superannuation on 31-10-2017 and not getting some of the retirement benefits, I am facing much financial problems. I humbly request the Commissioner Sir to kindly drop further action considering my effort for saving the Government money.

Analysis and Assessment of the case:

Two Charged Officers are figured in this case. Both the COs are the then District Panchayat Officers, Guntur Dist., Guntur. (6) charges were framed against CO-1 and (1) charge is framed against CO-2.

During the inquiry the proposed witness Sri C.Sankara Reddy, the then Additional Commissioner of Panchayat Raj was examined as PW-1. Ex.P1 and D1 were marked during his examination.

Against CO-1 the following (6) charges were framed, which involves embezzlement of funds pertaining to sand auctions in Guntur Dist.

Articles of Charge-I: That Sri Ch.Subrahmanyam, former District Panchayat officer, Guntur committed grave irregularities during his tenure from 11.07.2008 to 24.2.2009 and he had drawn the amounts indiscriminately from the Accounts No.G-68 and G-266, which are in the name of the District Panchayat Officer, Guntur at Chaitanya Godavari Grameena Bank, Collectorate Compound, Guntur without any reason on record and without the knowledge of the office. He had drawn the following amounts duly authorizing private persons to encash the cheques issued by him.

From A/c No.G-68:

Date	Particulars	Cheque No.	Amount
7.8.2008	To self	0108342	5,00,000-00
6.9.2008	To K.Subba Rao	0108343	3,00,000-00
15.10.2008	To T.Subrahmanyam	0108344	4,00,000-00
1.11.2008	To T.Subrahmanyam	0108345	2,00,000-00
10.11.2008	To T.Subrahmanyam	0108346	2,50,000-00
28.11.2008	To T.Subrahmanyam	0108347	4,50,000-00
8.12.2008	To T.Subrahmanyam	0108348	3,50,000-00
23.12.2008	To T.Subrahmanyam	0108349	3,25,000-00
31.12.2008	To T.Subrahmanyam	0108350	3,00,000-00
5.1.2009	To T.Subrahmanyam	0217601	2,50,000-00
9.1.2009	To T.Subrahmanyam	0217602	3,00,000-00
16.1.2009	To T.Subrahmanyam	0217603	5,00,000-00
29.1.2009	To T.Subrahmanyam	0217604	1,00,000-00
2.2.2009	To T.Subrahmanyam	0217605	3,00,000-00

10.2.2009	To T.Subrahmanyam	0217606	3,00,000-00
13.2.2009	To T.Subrahmanyam	0217607	3,00,000-00
16.3.2009	To T.Subrahmanyam	0217608	2,50,000-00
18.2.2009	To T.Subrahmanyam	0217609	3,50,000-00
3.3.2009	To T.Subrahmanyam	0217611	8,00,000-00
6.3.2009	To T.Subrahmanyam	0217612	4,00,000-00
6.3.2009		0217610	4,52,000-00
	total		73,27,000-00

From A/c No. G-266:

Date	Particulars/ Chheque No.	Amount
23.1.2009	Tr,to G,68 0217626	27,48,000-00

He has further remitted the following Amounts to those Accounts as follows:

To A/c No.68:

Date	Particulars	Amount
13.9.2008	By cash	4,00,000-00
19.9.2008	By cash	3,50,000-00
3.12.2008	By Realization D.D	4,52,000-00
5.1.2009	By Realization of D.D	1,75,000-00
23.1.2009	Tr from G-266	27,48,000-00
3.3.2009	By Realization of D.D	9,00,000-00
3.3.2009	By Realization of D.D	7,00,000-00
31.3.2009	By cash (S.Kumar)	16,02,000-00
	Total	73,27,000-00

To A/C No.G-266:

Date	Particulars	Amount
12.1.2009	By Realization of D.D	41,24,722-00
3.3.2009	By Realization of D.D	9,00,000-00
31.3.2009	By cash (S.Kumar)	43,48,000-00
	Total	93,72,722-00

Thus, he had committed irregular drawl of funds and failed to discharge his duties legitimately and thereby violated Rule (3) of APCS (Conduct) Rules, 1964.

Articles of Charge-II: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur had failed to maintain the vouchers, cash books and other records for the drawls made by him as shown at Article (1).

Articles of Charge-III: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur, while holding the post of Deputy Chief Executive Officer as Full Additional Charge had initiated the file from his level with a mala fide intention, without knowledge of the section and got it approved by the Chief Executive Officer and Chairperson for transfer of an amount of Rs.41,24,722/- to the District Panchayat Officer, instead of allocation to Gram Panchayat by way of Demand Drafts, which is highly irregular and in violation of Rules.

Articles of Charge-IV: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur while allocating the 12th Finance Commission funds to Gram Panchayats, the amount of Rs.3,22,49,800/- received through Procs.No.575/CPR-Acct-II(1)/2009-1, dated 22-1-2009, had kept an amount of Rs.25,00,000/- with

him without disbursing the same to the Gram Panchayats and allocated the rest of the amount to the Panchayats. He had kept the amount in the account of Gram Panchayat, Phirangipuram, which is in violation of Rules.

Articles of Charge-V: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur had drawn an amount of Rs.12,00,000/- on 24.2.2009, even after his relief from the District, which is highly irregular.

Articles of Charge-VI: That Sri Ch.Subrahmanyam, former District Panchayat Officer, Guntur had failed to hand over the cash book, cheque book and connected vouchers for the drawls to his successor during his relief from the district.

PW-1 in his examination has deposed that it is true that the amount mentioned in charge No.1 framed against CO-1 was remitted. But the CO-1 has not handed over the cheque book and pass book neither to the staff nor to his successor. The successor officer had also addressed a letter to the CO-1 in this regard. It is for this reason; the staff told him that they could not maintain records, as they were not aware of withdrawals made by CO-1.

The PO in his written arguments while replicating the charges and contents of the deposition of PW-1 has made the following observations:

Charged Officer-1:

1. As per Article No.1, the CO-1 withdrawn the amount from A/c.No.G-68, Rs.73,27,000/- from A/c.No.G-2666, Rs.27,48,000/- and A/c.No.G-266, Rs.93,72,722/-.
2. As per Article No.2, he failed to maintain vouchers, cash books and other records.
3. As per Article No.3, he has transferred an amount of Rs.41,24,722/- with mala fide intention.
4. As per Article No.4, he has kept the amount of Rs.25,00,000/- in the A/c. of Gram Panchayat, which was the violation of Conduct Rules.
5. As per Article No.5, he has drawn the amount of Rs.12,00,000/- on 24-12-2009 after his relief from the District.
6. As per Article No.6, he failed to handover the cash books, cheque books, pass books and connected vouchers for the drawls to his successor during his relief from the District.

On perusal of the connected records, deposition of PW-1 and written arguments filed by PO, the forum observed that CO-1 remitted the amount, which was drawn by him through a private person only after receiving the letter from CO-2 under Ex.P1. In regard to other (5) charges, CO-1 has failed to attend the hearings posted from time to time in this forum and defend himself by submitting his written arguments and hence the forum opines that the Charges I to VI framed against CO-1 are **held as proved**.

The following charge is framed against CO-2.

Articles of Charge-I: That Sri A.Nagaraju, former Dist.Panchayat Officer, Guntur District, Guntur had called for explanation of Sri Ch.Subrahmanyam, former DPO,

Guntur for misappropriation committed by him and casually marked a copy of the same to the Commissioner, PR&RE for information, instead of reporting a scandal of such a magnitude to the Government on an emergency basis. He had handled the misappropriation case in such unprofessional, crude and in a careless way.

During the examination of PW-1 in regard to Charge framed against CO-2, he has deposed that it is true that Ex.D-1 is not a notice but is a letter. On receipt of Ex.D-1, the CO-1 remitted amounts as mentioned in para – 17 of Ex.P1. The CO-2 in his self examination as DW-1, he has deposed that on 22-3-2009, Sri Balaji, Junior Asst., O/o.CPR came to him and informed that it was noticed that the former DPO has drawn the funds relating of sand auctions and the connected records for the same were also available with him only. Immediately he went to Grameena Bank, located in Collectorate compound on 23-3-2009 and submitted a letter to the concerned bank authorities, requesting them not to draw any amounts deposited from the account of former DPO. On the same day he wrote a letter, addressed to Sri Ch.Subrahmanyam, the then DPO, Guntur and at that time he was working as DPO, Krishna Dist., requesting him to furnish the details of the funds relating sand, accounts, check book, pass book to his office immediately and copy of the same was marked to the CPR, Dist.Collector, Guntur. On 1-4-2009 he again addressed a letter to the authorities of Grameena Bank, requesting to furnish the details of the account pertaining DPO, Guntur. In meanwhile, Sri Ch.Subrahmanyam, former DPO has furnished the check books, cash book etc. to the office of the Guntur. On receipt of copy of letter addressed by him to the DPO, Krishna Dist., the office of the CPR has requested him to furnish a detailed report on misappropriation of funds relating to sand. Accordingly, on examination of the accounts pertaining to Gram Panchayat and Bank Accounts, he submitted a detailed to report to the CPR on 22-6-2009 wherein it was mentioned that how much amount was withdrawn and how much amount was deposited in the bank account. Based upon the same, the then Dy.Commissioner, P.R., Sri Sankara Reddy, was ordered to enquire in the matter and submit a detailed report to the CPR and accordingly, the then Dy.Commissioner, P.R. enquired into the matter and submitted the report, indicating the allegations/irregularities relating to sand auctions. In the interest of safeguard of Government exchequer, he addressed a letter to Sri Ch.Subrahmanyam, former DPO, Guntur Dist., Guntur and subsequently the actions were also taken by him to remit back the amounts which were already drawn by the then DPO, Sri Ch.Subrahmanyam through a private person. He took the action with good consciousness in the capacity of DPO, Guntur but not with ulterior motive, deviating any Government procedure.

The PO of the case in his written arguments in regard to charge framed against CO-2 has stated that as per Article No.1, the CO-2 had not taken the misappropriation case seriously and taken it on professional crude and in a careless way by which act CO-2 had failed to discharge his legitimate duties.

The CO-2 in his written arguments has stated that at para 16 of the PR&RD Dept. report it is clearly reported that Sri Ch.Subrahmanyam, CO-1 has remitted back Rs.59,50,000/- on receipt of the notice. At the first instance, he has stopped the drawls and transactions from the bank by giving a letter to the bank authorities in time.

On perusal of the connected records, depositions of PW-1, DW-1 and written arguments filed by PO as well as CO-2, the forum observed that no misappropriation took place with the action taken by CO-2. Moreover, by his timely action, the CO-1 remitted the amount, which was drawn by him through a private person which was also confirmed under Ex.P1. The CO-2 also stated in his written arguments that he submitted a detailed report to the CPR after taking all possible actions at his level. Therefore, the benefit of doubt goes to CO-2 only and hence the forum opines that the Charge-I framed against CO-2 is **held as not proved**.

Findings:

The Charges-I to VI framed against CO-1 are **held as proved**. The Charge-I framed against CO-2 is **held as not proved**.

R. P. THAKUR,
Inquiring Authority.

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